クロア

FORM NO. 51-MAA FEB 1952 51-MAA

CENTRAL INTELLIGENCE AGENCY

25X1

CLASSIFICATION SECRET/CONTROL -- U.S. OFFICIALS ONE
SECURITY INFORMATION

REFERENCE CADVa

COUNTRY

25X1

25|X1

25X1

Hungary

DO NOT CIRCULATE

DATE DISTR. 3 November 1952

NO. OF PAGES 2

SUBJECT Data on Timber Economy

NO. OF ENCLS.

25X1

THES DOCUMENT CONTRINS ENFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 193 AND 194, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OF REVE-LATION OF ITS CONTENTS 10 OR RECEIPT BY AN UNAUTHORIZED PERSON IS

THIS IS UNEVALUATED INFORMATION

- The state enterprise FAERT handles the import and distribution of timber in Hungary. Hungary has so few forests that nearly all timber has to be imported from abroad, mostly from Austria, Rumania and Czechoslovakia. FAERT furnishes timber to the mines and building enterprises also.
- 2. Fuel-wood is distributed by TWZEP, also a state organization which also distributes lime. The government did not systemize wood and coal tickets, but distribution to the individual consumers was severely rationed last winter. One family in the cities and above all in Budapest obtained only 25 kilograms of wood and 50 kilograms of coal for a month. The quality of the coal was more inferior than ever before, half of the coal was mud and stone. Good quality coal went to industry and the important Party members only. Head of FAERT is at present Stephen Riedl, a former journeyman-joiner, a fanatical Communist, who got his present job for this reason. The director of TUZEP's Szombathely branch office is a former textile worker, also an important Communist. The administration department of both FAERT and TWZEP is top heavy; in the Szombathely branch office there are 40 employees. As the government knows that nearly all of them are not Communists, an AVH agent, called Turnai (fnu) is also employed there to observe and control the others. The employees get, in general, 500 to 600 forints salary per month, but they must kick back one month's entire salary yearly as a "voluntary loan".
- 3. Since the procurement and distribution of all timber is handled by government organizations (FAERT, TÜZEP), and all private business activity in this field was abolished years ago, the once famous Hungarian private cabinetmaking industry has been virtually wiped out. Only a very few struggle still for their private existence, most of them had to give up the hopeless fight and enter state enterprises. Individual masters do not receive material under the pretext that

CLASSIFICATION SECRET/CONTROL-U.S. OFFICIALS ONLY

	x	NAVY	x	NSRB	DISTRIBUTION				\Box
ARMY	x	AIR	х	FB1					

25X1

SECRET/CONTROL--U.S. OFFICIALS ONLY

-2-

because of the wood shortage the state enterprises have priority. The taxes are excessively high and the individual cabinetmaker, whose only means of subsistance is small repairs, is unable to pay them. To get from the state organizations the smallest bits of materials (nails, glue, etc.) he has to fill out endless applications, wait for several months, and in short, the Communist government does everything to make his independent existence untenable. This applies not only to the cabinetmakers but to all individual artisans. The ultimate aim of the regime is the complete liquidation of individual, independent artisanship and to force them into state enterprises as ordinary workers.

4. The box plant at Körmend, also nationalized long ago, makes boxes for the nearby brick and soap factories. A worker there had to nail 250 pieces of boxes daily, this was his fixed norm. If he was able to fulfill his norm, he got 23.30 forints per day, but fulfillment of this norm was so exhausting that most workers could only accomplish 80 percent of it when making soap boxes, and only 60 percent, if making brick boxes. These workers usually make about 400 to 450 forints per month, but there are many who get only 350 forints. The various deductions in the form of "voluntary offerings" and "state loans" amount approximately to the same sum per month as the worker takes home, and it is understandable that this infuriates the workers.

SECRET/CONTROL--U.S. OFFICIALS ONLY

